

new home

a guide to shared ownership



service right - first time



If you'd like this 'new home - a guide to shared ownership' in large print, Braille, audio format, or translated into another language, please call Flagship Response on **0845 601 3390**.

POR Se pretende esta informação em letra grande, Braille, áudio ou traduzida num outro idioma, por favor contacte a Flagship Response pelo **0845 601 3390**. Esta publicação chama-se 'nova habitação – guia sobre a partilha de direito de propriedade'.

POL Jeśli pragną Państwo otrzymać niniejsze informacje w dużym druku, alfabetcie Braille'a, w formie nagrania audio lub przetłumaczone na inny język, prosimy o kontakt telefoniczny z Flagship Response pod numerem **0845 601 3390**. Ta publikacja jest zatytułowana 'Nowy dom – informacje o systemie 'shared ownership' (kupna części udziału we własności domu)'.

RUS Если вам нужна эта информация крупным шрифтом, шрифтом Брайля, в аудиоформате или в переводе на другой язык, обращайтесь в диспетчерскую службу 'Flagship Response' по тел. **0845 601 3390**. Этот буклет называется 'Новый дом – руководство по долевым собственности'.

LIT Jei ši informacija reikalinga dideliu šriftu, Brailio raštu, garso įrašu ar išversta į kitą kalbą, prašom skambinti 'Flagship Response' grupei telefonu **0845 601 3390**. Šis leidinys yra vadinamas 'Nauji namai – gyvenimo viename būste vadovas'.

SYL আফনার যদি এই তথ্যাবলী বড় হরফ, ব্রেইল, অডিও ফরম্যাট বা অন্য কোন ভাষায় অনুবাদ করা অবস্থায় পাওয়ার দরকার হয়, তবে দয়া করি **0845 601 3390** নম্বরে ফ্ল্যাগশিপ রেসপন্স-কে ফোন করবা। এই প্রকাশনারে কওয়া হয় 'নতুন বাড়ি - অংশীদারি মালিকানার ব্যাপারে একটা নির্দেশিকা'।



Your questions answered

Q What is shared ownership?

A Shared ownership (New Build HomeBuy) is a part buy/part rent home ownership scheme. It is designed to help people unable to purchase a home outright get on to the property ladder. Based on your household income and lifestyle, you can purchase as little as a 25% share in a property and pay a subsidised rent on the remaining share. At a later date, you can increase your share all the way to 100% and outright ownership (some properties are exempt from outright purchase).

Q How does shared ownership work?

A The minimum share you can buy is 25% of the full market value up to a maximum of 75%, although most of our schemes are sold on a minimum 50% share basis. By initially buying a share, the total monthly mortgage and rent cost is normally a lot less than renting a similar property privately. As your household income allows, you can purchase additional shares in increments of 10% or more.

Q Am I eligible for shared ownership?

A Our criteria for eligibility is based on the following main points:

- Your gross household income must be less than £60,000 per year.
- You must have funds available to cover legal/mortgage fees and a mortgage deposit.
- You do not own or have a mortgage on any other property.
- You must be approved by your local HomeBuy agent.
- You meet the income criteria for the development you are interested in.
- Your income is not sufficient to purchase a suitable property outright.
- You must be employed and have a contract for at least six months.
- If self-employed you will require two years' audited accounts.
- Any County Court Judgment made against you has been satisfied.
- Hold a British or EU passport, or your passport should be stamped with either 'indefinite right to enter' or 'right to abode'.

- Existing homeowners in the process of discharging their interest in another property due to relationship breakdown and whose income does not support outright purchase.
- Applicants whose income is severely restricted by commitments such as childcare/maintenance payments.
- Homeowners who have outgrown their current home and who cannot afford outright purchase.
- Applicants with large savings but low income.

Q How are properties allocated?

A If you are unable to afford to buy a home on the open market you could qualify for a shared ownership property. These are allocated according to the following priorities:

- Existing tenants of Flagship Peddars Way, Flagship Kings' Forest or Flagship Suffolk Heritage.
- Applicants renting a property from a local authority or housing association.
- Key worker.
- Registered applicants with the HomeBuy agent/local authority.
- Applicants with a local connection through living, work or family.

Apart from key workers, you will need to demonstrate to us that you meet the local scheme qualification criteria. Applicants will be ranked according to the above criteria and properties offered on this basis.

Q How much do I need to earn?

A A minimum and maximum household income level will be required for each home we sell, but this will vary depending on the price of the property concerned. However, you should not be able to afford the property outright and you will be offered the maximum share you can afford to buy. Ideally your combined mortgage and rental payments should be approximately 30% of your gross household income.

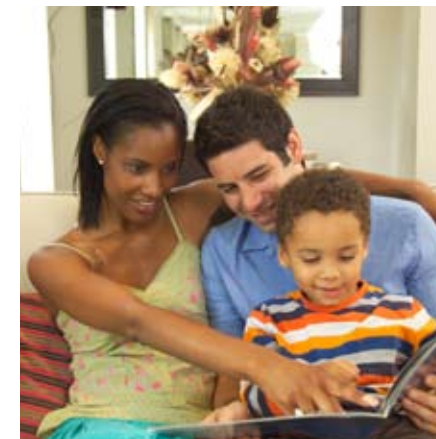
Q What about the lease?

A The lease is normally 99 years and is based on a model lease published by the Homes and Communities Agency. It is a legally binding document between the landlord and the leaseholder and covers the rights and responsibilities of both parties, maintenance, rent, buying more shares and re-selling.

Q How do I get a mortgage?

A When purchasing a shared ownership property it is important that you choose a mortgage specially designed for this scheme. Not all major lenders offer shared ownership mortgages so receiving informed professional advice from an Independent Financial Advisor with experience of shared ownership is vital.

Our panel of Independent Financial Advisors will be able to advise you on the right mortgage and will help you through every stage of the process right up to the day you move in.



Q How do I decide on the right solicitor?

A It is advisable to instruct a solicitor who has good knowledge and understanding of shared ownership leasehold properties. Flagship Homes has selected a panel of solicitors to represent its purchasers who have received positive customer feedback, demonstrated a high level of service, support and understanding of shared ownership to help the purchase of your new home run smoothly.

Details of our panels of Independent Financial Advisors and Solicitors are available through our website flagship-homes.co.uk or the Sales Team.

Q What purchasing costs are involved?

- A**
- Mortgage arrangement fee.
 - Mortgage valuation fee.
 - Solicitor's fee.
 - Stamp duty.
 - Mortgage deposit.
 - Exchange deposit.
 - Removal costs.

Q When I move in, what will I have to pay?

- A**
- Monthly mortgage and rental payments.
 - Service charge.
 - Buildings insurance.
 - Contents insurance.
 - Council tax.
 - Utility bills.
 - Other household bills.

Q What documentation will I need to provide?

- A** Before we organise a viewing date, you will be required to provide evidence of income, savings, any credit agreements and a mortgage agreement in principle from a bank or building society.

Q How much is the reservation fee?

- A** Once we have approved your application and you have viewed our property(s), you will need to put down a £250 reservation fee to secure the property. This fee is non-refundable should you cancel.



Q When can I buy extra shares?

- A** You may purchase additional shares in your home at any stage. The property will need to be valued by a chartered surveyor appointed by Flagship Homes to establish the current open market valuation and you will be required to pay the agreed proportion of the new valuation to Flagship, in addition to your own legal and mortgage fees.

With the exclusion of exempt properties, you may staircase to full ownership in multiples of at least 10% over four stages. Your monthly rent payment will decrease as you acquire additional shares in your home.

Our leaflet – ‘staircasing- a guide to owning more of your home’ explains the process in more detail and is available on our website flagship-homes.co.uk.

Q What if I want to sell my home?

- A** Whenever you decide the time is right to move, you must complete a re-sale request form and provide an Energy Performance Certificate (EPC). Flagship Homes will appoint a chartered surveyor to carry out an open market valuation. Under the terms of the lease, Flagship Homes has eight weeks to nominate a new buyer and should we be successful a fee is payable upon legal completion, which is normally less than an estate agent will charge. After this period, you are free to appoint an estate agent to market the property on your behalf. Any prospective purchase will still need to be approved by Flagship Homes to confirm they meet the shared ownership criteria applicable to the property.

Our leaflet ‘moving on - a guide to selling your home’ explains the process in more detail and is available on our website flagship-homes.co.uk.

Q What are re-sale properties?

A These are where the current owner of a shared ownership property wishes to sell it on.

You purchase exactly the same percentage share as owned by the existing leaseholder and you pay a subsidised rent on the remaining share to us.

After three months you have the option if you wish to purchase additional shares in the property known as staircasing.

Q Can I make improvements to my home?

A You can, but you will need our consent first and ensure the relevant planning permission and building regulations are obtained. If the improvements add value to the property we will take these into consideration when you either sell your share or purchase extra shares in the property.

Q How much stamp duty will I pay?

A Homeowners buying under the shared ownership scheme should not normally incur stamp duty until they own 80% or more of the equity in their home unless the initial share value is higher than £125,000. However, for an exact clarification please contact the Stamp Duty Hotline on **08456 030 135** or contact your solicitor.

Q What are my responsibilities as a leaseholder?

A When you purchase through shared ownership you enter into a lease agreement with your Registered Provider (Flagship Kings' Forest, Flagship Peddars Way or Flagship Suffolk Heritage), which is normally 99 years long. Your solicitor will explain your responsibilities but generally the main ones are:

- To pay rent, service charge, buildings insurance and administration fee on time.
- Not make any alterations to the structure of your property without our consent.
- To maintain and repair the interior of your home.
- To maintain and repair the exterior of your home (houses only).

You can find out more about your responsibilities in our 'Homefile – a buyer's guide to home ownership' – available on our website flagship-homes.co.uk.

What happens next?

Call the Flagship Homes Sales Team on **01603 255444** to discuss your eligibility for the shared ownership scheme.

You will also need to register with your local HomeBuy agent.

Orbit First Step **03458 502 050** orbithomebuyagents.co.uk

How to contact us

Flagship Homes Sales Team

Keswick Hall, Keswick, Norwich, Norfolk NR4 6TJ

Telephone: **01603 255444**

Fax: 01603 255450

E-mail: sales@flagship-homes.co.uk

Web: flagship-homes.co.uk

Our sales team is available to assist you:

Monday to Friday 9.00am to 5.00pm

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homes

Flagship Homes
Keswick Hall
Keswick, Norwich
Norfolk NR4 6TJ

T: 01603 255444
F: 01603 255450
E: sales@flagship-homes.co.uk
W: flagship-homes.co.uk

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An Exempt Charity



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